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RESOLUTION NO. R-47-2015

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RESOLUTION AUTHORIZING AND APPROVING (I) THE INCORPORATION OF THE LAS VEGAS MEDICAL DISTRICT CORPORATION, A NEVADA NONPROFIT CORPORATION ("LVMDC"), STUDY HUB, INC., A NEVADA NONPROFIT CORPORATION ("SHI"), AND COMMUNITY CURE, INC., A NEVADA NONPROFIT CORPORATION ("CCI") (LVMDC, SHI AND CCI ARE COLLECTIVELY HEREIN REFERRED TO AS THE "CORPORATIONS") AND (II) AN OPERATING AGREEMENT BETWEEN THE CITY OF LAS VEGAS, NEVADA AND THE CORPORATIONS. FOR THE PURPOSE OF ECONOMIC DEVELOPMENT AND (III) THE PERFORMANCE OF ANY AND ALL ACTIONS NECESSARY FOR THE FORMATION AND ORGANIZATION OF THE CORPORATIONS

WHEREAS, in furtherance of economic development within the City of Las Vegas, Nevada, a political subdivision of the State of Nevada (the "City"), the City has previously authorized on April 1, 2015 the setting aside of \$4,000,000 for the strategic acquisition of real property that can be used to promote economic development and job creation within a variety of target growth industries and in furtherance of the goals identified within the Economic Development Investment Strategy completed in June 2013;

WHEREAS, once created, the Corporations, all of which are Nevada nonprofit corporations, will assist the City in such promotion of economic development and job creation by owning, operating and maintaining such real property on behalf of the City;

WHEREAS, it has been proposed that title to any such real property be conveyed as acquired directly to the Corporations as determined by the Boards of Directors of the Corporations for owning, operating and maintaining such real property on behalf of the City.

WHEREAS, it has been proposed that the City and Corporations enter into an Operating Agreement by which the City will provide certain funding and resources to the Corporations for the owing, operating and maintaining of such real property, a copy of which is attached hereto as Exhibit A.

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1 WHEREAS, the respective proposed Bylaws of each of the Corporations will be
2 considered for adoption by respective Boards of Directors of each of the Corporations, who will
3 be appointed initially by the City Manager, as incorporator, pursuant to NRS Chapter 82.

4 NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Las
5 Vegas that the City Manager is authorized to incorporate Las Vegas Medical District
6 Corporation, a Nevada nonprofit corporation, Study Hub, Inc., a Nevada nonprofit corporation,
7 and Community Cure, Inc., a Nevada nonprofit corporation, for the purpose of owning, operating
8 and maintaining such real property acquired from time to time by the City.

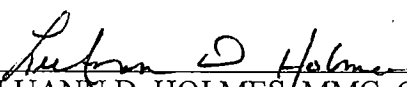
9 FURTHER RESOLVED, that the proposal that the Corporations directly take title
10 to such real property is hereby approved.

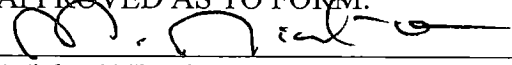
11 FURTHER RESOLVED, that the Operating Agreement attached hereto is
12 approved and the City Manager is hereby approved and the Mayor is hereby authorized to
13 execute the Operating Agreement on behalf of the City.

14 THE FOREGOING RESOLUTIONS were passed, adopted and approved this

15 5th day of August, 2015.

16 CITY OF LAS VEGAS
17
18 By: 
19 CAROLYN G. GOODMAN, Mayor

20 ATTEST:
21
22 
23 LUANN D. HOLMES, MMC, City Clerk

24 APPROVED AS TO FORM:
25 
26 Michael Niarchos, Esq. Date
27 7-22-15
28

**OPERATING AGREEMENT
BETWEEN
THE CITY OF LAS VEGAS,
LAS VEGAS MEDICAL DISTRICT CORPORATION,
STUDY HUB, INC. AND
COMMUNITY CURE, INC.**

This Operating Agreement ("Agreement") is made and entered into this 5th day of August, 2015, by and between the CITY OF LAS VEGAS, a municipal corporation of the State of Nevada (the "City") and LAS VEGAS MEDICAL DISTRICT CORPORATION, a Nevada nonprofit corporation ("LVMDC"), STUDY HUB, INC., a Nevada nonprofit corporation ("SHI") and COMMUNITY CURE, INC., a Nevada nonprofit corporation ("CCI"). LVMDC, SHI and CCI are collectively herein referred to as the "Corporations". City and Corporations may be referred to herein singularly as a "Party" and collectively as the "Parties".

RECITALS

WHEREAS, the City authorized the creation of the Corporations for the purpose of promoting economic development in Las Vegas; and

WHEREAS, the purpose of this Agreement is to set forth certain guidelines for the administration and management of the Corporations and to provide for the loan of funds to the Corporations in order to implement the goals and objectives of the Corporations.

NOW, THEREFORE, in consideration of the recitals and the mutual obligations of the Parties hereto, the City and the Corporations agree to the following:

1. TERM. This Agreement commenced upon the date of incorporation of the Corporations and shall continue in effect until terminated by the Corporations or the City. Either Party may terminate this Agreement by providing the other Party with a written notice to terminate at least sixty (60) days from the date of receipt of the written notice. Termination of this Agreement shall not relieve the Corporations of their obligations under any Promissory Notes (defined below) executed by the Corporations in favor of the City.

2. GUIDELINES OF THE CORPORATIONS.

A. The Corporations shall retain, when necessary, appropriate staff services, including, but not limited to, consultants, architects, engineers, accountants, attorneys and experts.

B. The Corporations shall coordinate and utilize other services provided by the City, or by consultants selected by and under separate contract with the City, and shall facilitate the supervision of the work of such consultants, including, but not limited to, consultant reports, appraisals, engineering studies, marketability and feasibility studies, relocation studies, legal opinions surveys of structural and environmental conditions and architectural design advice.

C. The Corporations shall assist in the coordination of activities and appearances before City bodies, departments and commissions, federal and state agencies and commissions, as may be necessary.

D. To the extent that such laws are applicable, the Corporations shall abide by all applicable State of Nevada laws, including, but not limited to, the Local Government Purchasing Act in NRS Chapter 332, Open Meeting Law in NRS Chapter 241, and Open Records Law in NRS Chapter 239.

E. The Corporations shall not enter into any contract where the collective expenditure of funds by all of the Corporations shall exceed \$100,000 without the prior approval of the City. The Corporations shall have the right to enter into agreements and contracts which collectively are less than the \$100,000 limit annually and are not inconsistent with the Corporations' Operating Budget attached hereto as Exhibit "A". The Corporations shall obtain assurance of the availability of funds from the City's Finance Director in a reasonably timely manner prior to entering into contracts which are funded with funds loaned from the City.

F. The Corporations shall prepare and submit a joint Proposed Operating Budget for the Corporation's next succeeding fiscal year to the City by February 15th of each year. For the purposes of determining the amount of funds to be loaned by the City, the City shall review and approve the Proposed Operating Budget no later than the second meeting in June of the City Council of each year and such approved Operating Budget shall be attached to this Agreement annually as Exhibit "A". For purposes of this Agreement, the attached Operating Budget is hereby approved for the fiscal year 2015/2016.

G. In any fiscal year, the Corporations collectively shall not incur any cost or expense which exceeds the total funds to be loaned by the City as evidenced in the current Operating Budget without the prior approval of the City. The City Manager is authorized to approve the augmentation of loan funds not to exceed \$100,000 to the Operating Budget. Any augmentation of funds exceeding \$100,000 shall require the approval of the City Council.

H. The Parties agree that LVMDC shall be the Corporation which shall open a bank account for and on behalf of the Corporations and be responsible and have the authority to disburse funds on behalf of the Corporations.

3. LOAN OF OPERATING FUNDS.

A. The City agrees to review and approve the amount of funds to be loaned to the Corporations as set forth in the Operating Budget. The Parties shall make appropriate adjustments during the review process of the Proposed Operating Budget.

B. The City agrees to loan certain funds on an annual basis to the Corporations in accordance with the approved Operating Budget. The source of the City's funds shall be indicated on the Operating Budget. The City shall cause the disbursement of funds to be deposited to the order of the Corporations with a commercial bank designated by the Corporations

as its depository.

C. No later than June 30th of each fiscal year, the Corporations agree to execute jointly one or more promissory notes which shall include the aggregate amount of all disbursements of funds loaned to the Corporations by the City for the current fiscal year (the "Promissory Notes"). The Promissory Notes shall be prepared and issued by the City and shall be executed jointly by the Corporations and the Corporations shall be jointly and severally liable under the Promissory Notes.

D. The Corporations agree that any request for the loan of funds will be consistent with the approved Operating Budget for the current fiscal year.

E. The Corporations agree to repay the funds loaned by the City in accordance with the terms of the Promissory Notes.

F. As part of the Promissory Notes, the City may assess a loan fee to be charged to the Corporations for any administrative costs, including, but not limited to, accounting, legal costs, incurred by the City for the maintenance of the Corporations' loan.

4. RIGHT TO REVIEW AND AUDIT.

A. The Corporations agree to maintain financial records pertaining to all matters relative to this Agreement in accordance with generally accepted accounting standards and to retain all records and supporting documentation applicable to this Agreement.

B. The Corporations agree to permit the City or the City's designated representatives to inspect and audit its records and books relative to this Agreement at any time during normal business hours and under reasonable circumstances and to copy therefrom any information that the City desires concerning the Corporations' operation hereunder. The Corporations further agree to permit the City or the City's designated representatives to inspect and audit, as deemed necessary, all records relating to finances, as well as other records including performance records that may be required by relevant directives of funding sources of the City.

5. WAIVER.

Failure of either Party to object to any default or to any other act of omission of the other which is in violation of the terms of this Agreement shall not be deemed to be a waiver of the right to object to any subsequent default, act or omission.

6. NOTICES:

Any notice or request for approval to be served under the terms of this Agreement must be (1) hand-delivered; or (2) deposited in the United States mail, postage prepaid, to the following:

CITY: City of Las Vegas
Attention: City Manager
495 S. Main Street, 7th Floor
Las Vegas, Nevada 89101

CORPORATIONS: Las Vegas Medical District Corporation
Attention: President
c/o Economic and Urban Development Dept.
495 S. Main Street, 6th Floor
Las Vegas, Nevada 89101

Notice or request for approval served pursuant to above shall be deemed received upon receipt if hand-delivered or 48 hours after the time such notice is deposited in the United States mail.

7. ASSIGNMENT.

The Corporations shall not assign this Agreement or any rights accruing to Corporations hereunder without the written consent of the City.

8. ENTIRE AGREEMENT.

Unless amended by the parties, this Agreement states the entire understanding of the Parties and that they have entered unto no collateral contracts, agreements, warranties or understandings.

9. TERMINATION.

Any breach by Corporations of the terms, condition or covenants of Corporations herein contained shall be grounds for immediate termination of this Agreement by City. The Agency may waive any breach and demand performance by Corporations in accordance with the terms of this Agreement. The foregoing remedy of City is in addition to and not exclusive of any other remedy recognized by law.

10. MISCELLANEOUS.

This Agreement is entered into in Nevada and is to be governed by the laws of the State of Nevada.


IN WITNESS WHEREOF, this Agreement is duly executed on the day and year first above written.

CITY


CITY OF LAS VEGAS

By: 
CAROLYN G. GOODMAN, Mayor

ATTEST:


LUANN D. HOLMES, MMC, City Clerk

APPROVED AS TO FORM:

 7-22-15
Michael Niarchos, Esq. Date

CORPORATIONS

LAS VEGAS MEDICAL DISTRICT CORPORATION

By: 
Elizabeth N. Fretwell, President

STUDY HUB, INC.

By: 
Elizabeth N. Fretwell, President

COMMUNITY CURE, INC.

By: 
Elizabeth N. Fretwell, President

EXHIBIT "A"
OPERATING BUDGET

Las Vegas Medical District Corporation	
Fiscal Year 2016 Operating Budget	
Insurance Premiums	\$ 32,000
Accounting and Audits	\$ 5,000
Consulting & Professional Service	\$ 100,000
Fencing	\$ 15,000
Utilities	\$ 5,000
Recorders Fees	\$ 2,000
Supplies	\$ 1,500
Legal Services	\$ 50,000
Banking Services	\$ 5,000
Total:	\$ 215,500
<u>Source of Funds:</u> Business Park Development Fund	